## **ENERGY INDEPENDENCE, OFFICE OF[350]**

## Adopted and Filed

Pursuant to the authority of Iowa Code section 469.3, the Office of Energy Independence hereby adopts Chapter 5, "Energy Efficiency Community Grant Program," Iowa Administrative Code.

The new chapter establishes a competitive grant program to make funding available to local communities from four percent of the moneys appropriated annually to the Iowa Power Fund.

Notice of Intended Action for this chapter was published in the Iowa Administrative Bulletin on July 1, 2009, as **ARC 7913B**. The Office received public comments from the Iowa Environmental Council and the Iowa League of Cities on the Notice of Intended Action.

The Office made changes based upon public comment. Commenters expressed concern that rule 350—5.2(469) did not encompass all of the entities that were eligible based upon the legislation. The concern regarding subrule 5.5(1) was the omission of renewable energy systems from the description. In response to public comment, the following changes have been made from the Notice of Intended Action:

The phrase "city, county, nonprofit organization" was added to the definition of "Eligible applicant" in rule 350—5.2(469). Language regarding organizations that have a specific mission or program was omitted from the definition.

In subrule 5.5(1), the catchwords were changed from "Energy efficiency" to "Promotion of energy efficiency or renewable generation." The language in the subrule was changed to include renewable energy and the reduction of energy consumption.

This amendment does not provide for a waiver.

These rules are intended to implement 2009 Iowa Acts, Senate File 452, section 2.

These rules shall become effective on October 14, 2009.

The following amendment is adopted.

Adopt the following **new** 350—Chapter 5:

## CHAPTER 5 ENERGY EFFICIENCY COMMUNITY GRANT PROGRAM

**350—5.1(469) Purpose.** The purpose of the energy efficiency community grant program is to make funding available to local communities for energy efficiency projects or programs. The program is established with moneys from the Iowa power fund, which is under the authority of the Iowa office of energy independence pursuant to Iowa Code chapter 469.

## 350—5.2(469) Definitions.

"Eligible applicant" means a city, county, nonprofit organization, organization involved with energy efficiency or conservation efforts, environmental organization, or group that has a tax identification number.

"Eligible project" means any project or program that would save energy dollars or energy units.

"In kind" means any matching funds in the form of salaries and materials. Equipment and indirect costs will not be counted as in-kind matching funds. Volunteer hours that are submitted for salary match must use an hourly rate equivalent to the average national hourly earnings of all production and nonsupervisory workers on private, nonfarm payrolls as determined by the U.S. Bureau of Labor Statistics.

**350—5.3(469) Requests for applications.** The office shall determine the form of the application and issue requests for applications a minimum of two times during a fiscal year.

**350—5.4(469) Geographic distribution.** Consideration will be given to applications based on distribution throughout Iowa's five congressional districts. The office may consider multiple

applications from the same community. The office may take into account geographic distribution in determining awards.

- **350—5.5(469)** Criteria for review. In reviewing applications, the office shall consider the following:
- **5.5(1)** Promotion of energy efficiency or renewable generation. The office shall consider the project's potential promotion of residential or small-scale renewable energy systems and the project's ability to reduce energy consumption, energy units, or dollars spent on energy.
  - **5.5(2)** *Collaboration.* The office shall consider the following:
- a. Whether the project establishes or supports a community-based, county-based or regional energy efficiency project or program.
- *b*. The breadth and depth of community, county or regional involvement in the energy efficiency project or program.
- c. The involvement of local schools, civic organizations, chambers of commerce, and private groups.
- d. The project's support of any existing or proposed ordinances encouraging energy efficiency and conservation or energy efficient building code provisions and enforcement.
- *e.* The project's efforts to secure local funding for the community-based, county-based or regional energy efficiency project or program or for a funding sustainability plan.
- **350—5.6(469) Project approval and award of funds.** Projects shall be approved by the director of the office after staff review and recommendation. All funding decisions shall be reported monthly to the Iowa power fund board. Funds will be distributed to approved projects based on mutually agreed-upon contract terms.

These rules are intended to implement 2009 Iowa Acts, Senate File 452, section 2.

[Filed 8/17/09, effective 10/14/09] [Published 9/9/09]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 9/9/09.